SOCIAL WELFARE AND LABOUR SECRETARIAT

Sub:—Employment Promotion Programme 1974-75—Sanction of—

READ .—

Letter No. 19011/2/74-Emp-Ep (Karnataka) dated 3rd October 1974 from the Government of India, Planning Commission (Employment and Manpower Division), New Delhi.

PREAMBLE .—

The Government of India have allocated a sum of Rs. 130.00 lakhs to the State under Emp'oyment Promotion Programme for purposes of implementing scheme during 1974-75 to generate employment opportunities for the unemployed educated persons in the State.

Schemes in this behalf were formulated and forwarded for approval. After considtration, the Planning Commission have conveyed the approval of the Government of India to certain schemes.

The eight schemes cleared by the Planning Commission and sanctioned in this G. O. have an approved total outlay of Rs. 97.08 lakhs with an employment potential of about 5,013 job opportunities as detailed in Annexures A and B and a summary of the allocation for each group of schemes is given below.

		(Rs. in lakhs)
(A) Six Self-employment Schemes and schemes of infra structure development listed in Annexure 'A'. —		
(i) Margin money/seed capital contribution to equity capital to co-operatives and margin for financing industrial/ Commercial Estates.		79.81
Add provision for strengthening the organisations dealing with this programme.		3.99
	Total	83.80
(ii) Expenditure on account of stipends		10.04
Add Incidental expenses therefor		1.50
	Total	11.54
Grand Total for Self-employment Schemes		95.34
(B) Two Training Schemes listed in Annexure 'B'		
Stipends		1 51
Incidental expenses		0.23
	Total -	1.74

As regards the schemes listed in Annexure 'A', the Planning Commission have informed that the amount of Rs. 83.80 lakhs approved for margin money and contribution of share capital to co operatives as well as margins required for industrial/Commercial estates will be made available to the State Government in the form of 50% grant-in-aid and 50% loan. Steps have to be taken to ensure availability of resources from institutional finance to the entrepreneurs before discharging funds and assistance towards morgin money/seed capital which shall be restricted to 10% of the total cost on each project as set out in the guidelines.

The Planning Commission have also informed that the Central assistance in this regard will be disbursed as follows :—

(a) 25% along with their approval

(b) 25 % on receipt of satisfactory progress report for the quarter ending 31st December 1974 in the prescribed *proforma*

(c) Balance amount of 50% on receipt of satisfactory progress report in the same *pro forma* for the period ending 28th February 1975.

They have also stressed that persons trained under the training schemes of this programme in 1974-75 must be absorbed in regular employment on completion of the approved training and the funds under the programme will not be available in 1975—76.

ORDER NO. SWL 142 ECS 74, BANGALORE, DATED 31ST OCTOBER 1974.

Government are pleased to accord sanction for the implementation of the eight schemes with a total outlay of Rs. 97.08 lakhs as detailed in Annexures 'A' & 'B' to this order.

2. It is the primary responsibility of the Heads of Departments concerned to ensure prompt & speedy implementation of these schemes. In the matter of selection of beneficiaries and in the manner of assisting them, the implementing authorities shall pay due regard to the guidelines laid down by the Planning Commission which is reproduced at Annexure 'C'.

3. It is stressed that the persons trained under this programme in 1974-75 must be absorbed in regular employment on completion of training. No scheme shall leave any spill-over during 1975-76.

4. The Heads of Departments are requested to entrust this Programme to a responsible officer who could be contacted by the Special Cell in the Social Welfare and Labour Department of the Secretariat for any information relating to these schemes. He should also be made responsible to see that the first progress report for the period ending 31st December 1974 is submitted on or before the 7th January 1975 and the subsequent report for the period ending 28th February 1975 by 7th March 1975 to the Secretary to Government, Social Welfare and Labour Department. The final progress report for the year ending 31st March 1975 shall be sent to him by 7th April 1975. Since the subsequent instalments of Central assistance will be released by the Government of India only on receipt of consolidated progress reports from time to time, it shall be the personal responsibility of the officer concerned to make necessary arrangements for collection of accurate information and to ensure timely submission of the progress reports. The progress reports shall be on the *Pro forma* at Annexure 'D' and shall be simultaneously copied to the concerned Administrative Department of the Secretariat. They should also maintain proper records for purposes of submission to audit at the appropriate time.

5. The details of the sanctioned schemes are furnished at Annexures E-1 to E-8.

6. The expenditure constitutes an item of "New Service" and initially met from an advance from the Contingency Fund under the Head of account indicated against each scheme in the annexure to this order.

7. Orders sanctioning advance from the Contingency Fund will issue separately from the Finance Department.

8. This order issues with the concurrence of the Finance Department *vide* their U. O. Note No. FD 1172 INT/WI/74, dated 31st October 1974.

By Order and in the name of the Governor of Karnataka,

T. SHARANAPPA,

Under Secretary to Government (Special Cell),
Social Welfare and Labour Department.

ANNEXURE—'A'

Employment Promotion Programme-1974-75

I. SELF-EMPLOYMENT SCHEMES

Sl. No.	Name of the Scheme	Agency responsible for implementation		Training in 1974-75					Employment potential	Allotment		Head of Account
		Secretariat department	Executive department	Category of persons	No. to be trained	Stipend rate	Period of training	Total Stipend		Item of expenditure	Rs. in lakhs	
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Provision of Seed/margin money for schemes which are within the guidelines	Commerce & Industries Dept.	Director of Ind. & Com.	Eng. Gdts.	600	400	1½	3.60		a) Seed Capital/Margin money	55.00	720-2-II-Central Sector Scheme of Employment Promotions Programme-Capital/Margin money to Educated unemployed Entrepreneurs (Plan)
				Eng. Dip. holders	400	250	1½	1.50	3600			
				Gen. Gdts.	1000	150	1½	2.25				
				SSLCs	1600	100	1½	2.40				
								9.75				
										b) Strengthening of organisation	2.20	320-A-1-A-IX-Strengthening of Headquarters for implementation of CSS of Employment Promotion Programme (Plan.)
										c) Stipend	9.75	320-A-2-V Central Sector Scheme of Employment Promotion Programme-Stipends to entrepreneurial trainees and Incidental charges (Plan.)
										d) Incidental charges	1.46	
										Total	68-41	

1	2	3	4	5	6	7	8	9	10	11	12	13
2	Construction of Industrial/commercial estates	Com. & Ind. Dept.	Dir. of Ind. & Com.	...		...	...	...	400	a) Seed Capital/Margin money	9.00	721-3-Industrial Estates-I Central Sector Scheme of Employment Promotion Programme-Seed Capital Margin money for control/ Industrial Estates by Small Entrepreneurs (Plan).
										b) Strengthening of organisation.	0.36	320-A-1-A-IX Strengthening of Headquarters for implementation of CSS of Employment Promotation Programme (Plan)
										Total	9.36	
3	Assistance to Co-operative ventures	-do-	-do-	...	...	...	...	...	350	a) Seed Capital/Margin money/equity participation	7.00	498-13-III-Central Sector Scheme of Employment Promotion Programme Share Capital assistance for organised co-operative ventures (Plan).
										b) Strengthening of organisation	0.28	320-A-1-A-IX-Strengthening of Headquarters for implementation of CSS of Employment Promotion Programme (Plan).
										Total	7.28	

4.	Assistance to ancillary industries	Com. & Ind Dept.	Dir. of Ind. & Com.	Eng. Gdts. Eng. Dip. holders Gen. Gdts. Others	10 10 3 2	400 250 150 100	4 4 4 4	0.16 0.10 0.02 0.01 0.29	25	a) Seed Capital/Margin money	1.67	720-2-III-Central Sector Scheme of Employment Promotion Programme—Seed/Margin money assistance to educated entrepreneurs for setting up of Ancillary Industries (Plan.)
										b) Strengthening of organisation	0.06	320-A-1-A-IX- Strengthening of Headquarters for implementation of CSS of Employment Promotion Programme (Plan).
										c) Stipends d) Incidental charges	0.29 0.04	320-A-2-V-Central Sector Scheme of Employment Promotion Programme—Stipends to enterpreneurial trainees and incidental charges (Plan.)
										Total ...	2.06	
5.	Assistance for transport vehicles	S. W. L. Dept.	Dir. of Emp. & Trng.	...	...	...	...	...	100	a) Seed Capital/Margin Money	5.00	688-3-Other Social Security and Welfare Programmes—1 Central Sector Scheme of Employment Promotion Programme-1. Stipends to entrepreneurial trainees (Transport Vehicles) and incidental Charges (Plan).
										b) Strengthening	0.20	287-B-1-VII-Strengthening of headquarters for implementation of Central Sector Scheme of Employment Promotion Programme (Plan).
										Total	5.20	

1	2	3	4	5	6	7	8	9	10	11	12	13
6	Assistance for mechanised fishing	SWL Dept.	Dir. of Fisheries	...	...	...	...	...	100	(a) Seed Capital/Margin money.	2.14	712-1-III. Central Sector Scheme of Employment Promotion Programme—Margin money assistance to skilled fishermen for mechanised fishing (Plan).
										(b Strengthening of Organisation	0-10	312-1-IV—Strengthening of Headquarters for implementation of Central Sector Scheme of Employment Promotion Programme (Plan).
								Total	4645	Total	2.24	
									TOTAL	(a) Seed Capital/Margin money	79.81	
										(b) Strengthening of Organisation	3.20	
										(c) Stipend	10.04	
										(d) Incidental Charges	1.50	
										A. Total	94.55	
										B. Amount held in reserve for strengthening of Organisation	0.79	
										C. Grand Total (A+B)	95.34	

T. SHARANAPPA,

Under Secretary to Government,
(Special Cell) S. W. L. Dept.

ANNEXURE—B

Employment Promotion Programme-1974-75

II. TRAINING SCHEMES

Sl. No.	Name of the Scheme	Implementing authority: Secretariat Deptt.	Implementing authority: Executive Dept/ Orgn	Category of Persons	Nos. to be trained	Stipend rate p.m. per trainee (Rs.)	No. of months	Total stipend (Rs. in lakhs)	Allotment: Item of expenditure	Allotment: Rs. in lakhs	Head of Account
1	2	3	4	5	6	7	8	9	10	11	12
1	Training in forest guards for scheduled castes/scheduled tribes	Agri. & Forest Dept.	CCF (Gen)	SSLCs	18	100	6	0.11	(a) Stipends (b) Incidental Charges	0.11 0.02	313-3-IX-Central Sector Scheme of Employment Promotion Programme-Stipends to SC/ST Forest Guard Trainees and and Incidental (Plan).
									Total	0.13	
2	Training for employment in co-operative industrial units	S W L Dept.	Dir. of Emp. & Trng.	SSLCs	350	100	4	1.40	a) Stipends b) Incidental charges	1.40 0.21	287-B-4-VI-Central Sector Scheme of Employment Promotion Programme-1. Training for employment in Co-operative Industrial Units (Plan)
			Total		368				Total	1.61	
									a) Stipends b) Incidental charges	1.51 0.23	
									Grand Total	1.74	

T. SHARANAPPA,

Under Secretary to Government
(Special Cell) S. W. L. Dept.

ANNEXURE-'C'

G. O. No. SWL 142 ECS 74, DATED 31ST OCTOBER 1974.

GUIDELINES

In scrutinising proposals received from the States for approval of schemes under the Employment Promotion Programme (1974–75) the following guidelines shall be kept in view :—

1. The development programmes undertaken as part of the Fifth Five Year Plan provide a substantial base for choosing activities in which self-employment ventures can be encouraged. It should be a primary consideration that only such schemes should be taken up as can be completed within the current financial year and should not involve recurring Central assistance.

2. While providing job opportunities, programmes having self-employment potential mainly be taken up. The schemes should be such as can generate more and more employment and have a multiplier effect. They should be productive and Labour intensive. Institutional finance should be utilised to the fullest extent possible. Government funds would be available only for seed capital, margin money, training expenses, incidental expenditure etc. The approach should be to secure maximum employment and investment with minimum government support.

3. Engineers and highly qualified technicians who are yet unemployed should be given first priority. Schemes must necessarily be formulated for those engineers and highly qualified technicians whose names stood registered on 31st December 1972 with the Employment Exchanges and continue to be so registered and who are still unemployed. Government had assured in the Parliament that immediate efforts would be made for finding employment opportunities for this category of persons. Steps are thus required to be taken for their absorption in Government service or offering assistance to them for finding placement in private sector or for starting self-employment ventures with assistance provided under different schemes, during the year 1974–75.

4. Educated unemployed persons from a family having no source of income should always get priority over to others.

5. It has been noted that it is difficult to locate entrepreneural ability among members of the scheduled castes, backward classes scheduled tribes and minorities. It is, therefore, necessary to give special attention to these groups, in promoting employment, In some cases, employs abillity may increase through short-term training courses taken up in consultation with potential private or institutional employers, or for specific Government jobs in which reserved quotas are not being filled for lack of candidates with requisite minimum level of ability. On the same lines, war widows, unemployed educated from seavengers' community, disabled educated youngsters and such other deserving cases should get special treatment. Ex-servicemen may also be given special attention under the programme.

6. For promoting the capacity of prospective candidates for self-employment ventures, suitable training can be supported under this programme. The training should be directly related to the specific requirements of the candidates, mostly of a practical nature, which will help them in regard to their selected line of activity; the trainers and the design of training should also be exactly suitable for the purpose. General purposes training, as usually given, is related mainly to imparting of technical skills ; such training does not, by itself, help in bringing

about establisment of self-employment ventures and the wastage is generall quite high. The period of training should also be such that no time is wasted in dealing with matters not directly of use. The Training may include preparation of a project report on which bank finance is to be obtained. Market study of feasibility report may also be carried out within the training period itself.

Where guaranteed possibilities of employment exist in non-government sector including co-operatives and public sector undertakings, and especially in small enterprise which do not have capacity to train their own men for specific disciplines, formal institutional training may also be arranged under this Programme for registrants of Employment Exchanges. In this cases also, the potential employment should invariably be identified in advance, the selection of trainees should be made in collaboration with such employers from amongst persons registered with the Employment Exchanges, and the content and period of training should also be mutually agreed upon.

While formulating the training schemes it may be kept in view that the funds under Employment Promotion Programme for educated unemployed will be available to finance only the stipends for the trainees, marginal increase in training personnel and marginal increases in training equipment. The other expenditure on buildings, vehicles etc., would have to be met by the State Government from its own resources. The monthly rates of stipends would be as follows:—

Sl. No.	Category	Maximum rate stiepnds per mensem (Rs).
1.	Matriculates	100
2.	Graduates	150
3.	Post-Graduates/Agricultural/Veterinary Gradustes	300
4.	Architects	400
5.	Engineering Graduates	400
6.	Engineering Diploma Holders	250

Note :—Persons possessing hereditary skills including handicraftsmen taken up under any schemes pertaining to their own trades and ITI Certificate holders will be treated as an per with matriculates.

7. Establishment of functional ancillary industrial estates and special industrial estates like electronics estates may be encouraged. However, investments for the creation of such estates should be mobilised from institutional finance or State finance. Margin money constribution under this prcgramme could be considered on merits, on terms and conditions laid down in Ministry of Industrial Development Circular Letter No. SSI (II)-10 (39)/73, dated 9th July 1973. In the case of cooperative self-employment ventures, States contribution to equity participation would ordinarily be three times the members' share capital.

8. It has been noted that in several States there is no agency which can provide the package of sernices needed for setting up small enterprises. In some States, different corporations have pooled their resources and taken up a joint programme of entrepreneurial development. It is necessary that support is given not only through training and advice, but also by helping in preparation of feasibility reports and detailed project reports, promoting marketing, supply of raw materials, making land sheds; power available, etc.

Small Scale Industries and cottage industries requiring lesser capital but which are productive and labour-oriented should be given due importance and adequate protection.

10. Consumers' co-operatives service cooperatives, Industrial co-operatives, etc., belonging to educated unemployed may be sponsored and encouraged by providing margin money or share capital contribution.

11. For proper implementation of the programme; there should be Special Cell at the State level, with a Minister in charge and one Officer to be called Employment Commissioner of the rank of Secretary.

There should be State level Co-ordination Committees which would include representatives from banks, Public Finance Institutions, Industries Corporation etc. These committees should regularly meet to sort out problems, if any and to review the implementation of the schemes. Similarly, at the district level the Lead Bank Consultative Committee should be called upon to review, in detail the implementation of the schemes as a specific item at each meeting. Since the main thrust of the programme is on self-employment schemes, involving bank/institutional finance, such standing arrangements as essential.

12. The rates of assistance required to be provided under the different schemes will naturally vary. It should, however, be ensured that an average, one additional direct employment opportunity in any unit is created by investment of Rs. 1,500-out of the funds to be provided by the Government of India under this programme; direct employment would include employment arising for the entrepreneurs as well as the direct workers in the units (of which no less han 50 per cent should be the educated).

13. (a) Margin money/seed capital or equity assistance will ordinarily be available only for small scale units with investment not exceeding Rs. 7. 5 lakhs in respect of plant and machinery in the case of individual;

(b) In the case of private registered companies margin money/seed capital assistance not exceeding Rs. 75,000 for any concern, may also be extended provided that normally all the shareholders must be unemployed entrepreneurs.

14. Funds from the programme would be provided to the prospective entrepreneurs in the form of margin money to enable them to raise additional resources from financial institutions/ Banks. 50% of the margin money provided as part of Central assistance would be in the nature of loan and the remaining 50% in the form of grant to the State Governments. To the individual entrepreneurs, margin money would be given as a soft loan, being recoverable after the loan of the financial institutions is rapid. A. $7\frac{3}{4}$ per cent rate of interest would be charged from the State Govt. on the loan portion of the margin money. The State Govt. however, would charge a maximum of 4 per cent rate of interest from the entrepreneurs. The margin money/seed capital assistance will be subject to a maximum of 10 per cent of the total cost of the project and will be calculated in terms of the 9th July 1973, letter of Ministry of Industrial Development (referred to para 7 also).

15. The State Govts./Union Territories Administrations or the other implementing agencies may incur expenditure not exceeding 5 per cent of the approved outlay in respect of the self-employed schemes for the purpose of meeting the cost of administrative, consultancy, publicity arragements to be made for the purpose. However, in respect of the training component, if any, funds for meeting expenses relating to administration, training personnel and equipment, etc., may also be provided upto a maximum of 15 per cent of the outlay for the specific training schemes approved.

16. The spill-over costs of the training schemes other than those pertaining to the Health and Education sectors, sanctioned and taken up for implementation during the 1973-74, under the Half a Million Jobs Programme will be eligible for assistance under this programme. Such schemes shall be governed by the instructions issued *vide* P.C. No. 19011/31/73-EMP-EP, dated 1-3-1974.

17. Utilisation of funds placed at the disposal of the State Govts. under the Half-a-Million Jobs Programme which have not yet been disbursed in favour of the final beneficiaries will also be governed by these guidelines.

18. To sum up, the States/Union Territories may take up the following types of schemes for implementation under this programme:

(1) Schemes for engineers and highly qualified technologists, whose names have continued on Live Registers since 31st December, 1972, on first priority basis;

(2) Training of Scheduled Castes/Tribes etc., for Government jobs, where reserved quotas are unfilled;

(3) Training for guaranteed employment opportunites in non-governmental sector;

(4) Training for self-employment;

(5) Promotion of individual/Co-operative Self-employment ventures wit seed/capital/margin money/share capital assistance;

(6) Establishment of industrial/commercial estates.

T. SHARANAPPA,

Under Secretary to Government
(Special Cell), SWL Department.

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ANNEXURE 'D'

Progress Report for the period ending.....

The Employment Promotion Programme-1974-75

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Sl. No.	Title of the Scheme	Outlay sanctioned	Employment potential	Expenditure incurred					No. of beneficiaries in position as at the beginning of the period under report	No. of beneficiaries inducted during the period under report	Total No. of beneficiaries as at the end of the period under report	Educational breakup of the beneficiaries mentioned in Col. 12 [*e.g.* B.A., B.Sc., B.Com., Eng. graduates (branchwise), Diploma Holders (branchwise) etc.]	
				On payment of assistance towards margin money	On payment of stipend	On strengthening the organisation	On incidental expenses relating to training	Total expenditure (Total Cols. 3 to 6)				Those belonging to Sc/ST	Others

ANNEXURE E1

I. Self Employment Schemes

Scheme No. 1:—Provision of Seed/Margin Money.
(Outlay Rs. 68.41 lakhs)

Implementing Agency:—Directorate of Industries and Commerce.

The Scheme provides assistance to unemployed educated persons in setting up their own ventures—industrial, commercial or business in finding the necessary seed or margin money. The beneficiaries will be required to avail themselves of the loan facilities of the nationalised banks and other financial institutions to the maximum extent. The assistance under the scheme is limited to 50 per cent of the margin that the banks/financial institutions may require, subject to a maximum of 10 per cent of the total capital requirements. The total capital requirements include in this context 40 per cent of the working capital margin as the banks usually finance up to 60 per cent of the working capital required. In deserving cases, however, the implementing authorities may at their discretion sanction assistance to cover upto 75 per cent of the margin if the entrepreneur is not in a possition to draw upon from his own resources.

2. The assistance under the scheme is in the form of soft loan carrying simple interest at the rate of 4 per cent per annum. ¼ per cent rebate is allowed on prompt repayments. A penal rate of compound interest of 2½ per cent per annum above the normal rate of interest is charged on all overdue instalments of interest/principal and interest. A penalty clause to this effect will invariably be inserted in all loan sanctions/agreements. The assistance and interest thereon is repayable in easy instalments after the beneficiary has discharged his obligation towards the financial institutions in respect of the loan raised from them.

3. The number of entrepreneurs likely to be assisted is 3,600 comprising of 1,000 engineering degree/diploma holders, 1,000 other graduates and 1,600 matriculates including ITI Certificate holders and hereditary craftsmen. Since the beneficiaries may need some entrepreneurial training especially in aspects relating to industrial management, business management, salesmanship etc., the scheme also provides for their practical training for an average period of six weeks in order to help them make good the difficiencies, if any. The exact duration and contents of training will be determined by the implementing authority keeping in view the individual's requirements but the maximum period of training will be six months. The training period may also be utilised for preparation of necessary project reports, securing necessary advance from financial institutions, acquisition of sheds/work place/machineries etc. The beneficiaries are entitled to stipend at the following rates during the period of training.

	Rs. p.m.
(1) Graduates in Engineering/Technology Medicine	400
(2) Diploma holders in Engineering/Technology	250
(3) General Graduates	150
(4) SSLCs, ITI Certificate holders and hereditary craftsmen	100

The total outlay on the scheme is Rs. 68.41 lakhs Rs. 55 lakhs for margin/seed money assistance and Rs. 11.21 lakhs for training and the total number of beneficiaries is 3,600. A sum of Rs. 2.20 lakhs is also provided for incurring expenditure on strengthening the organisation, publicity etc. The scheme has a multiplier effect in as much as the beneficiaries do in turn engage a number of workers.

Assistance under this scheme is ordinarily available only for small scale units with investment not exceeding Rs. 7.5 lakhs in respect of plant and machinery.

T. SHARANAPPA,
Under Secretary to Government
(Spl. Cell), SWL Department.

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ANNEXURE-E2

Scheme No. 2: Construction of Industrial/Commercial Estates.

(Outlay: Rs. 9.36 lakhs)

Implementing Agency: (i) Directorate of Industries and Commerce.
(ii) Karnataka Small Industries Corporation.

Land and *infra structure* facilities are the main bottlenecks for new entrepreneurs. The standard size sheds in industrial estates developed by the Corporation are in great demand. It is found that industrial sheds of standard dimensions are often beyond the reach of the unemployed persons who desire to set up small self-employment ventures. This necessitates construction of more minisheds. Similarly, the persons who desire to set up small business units find it hard to take up premises at exhorbitant rent. Such persons can combine themselves into a co-operative and set up their own Commercial estates.

The scheme therefore allocate a sum of Rs. 9.00 lakhs for purposes of offering seed/margin money assistance to individuals on the same terms as detailed under scheme No. 1, for purposes of constructing industrial/commercial estates. In the case of Co-operative ventures, however, the assistance is in the form of equity participation by the State, the maximum amount of investment being three times the share capital actually subscribed by members. The beneficiaries will have to raise the rest of the outlay through institutional finance.

A sum of Rs. 0.36 lakhs is also provided for meeting expenditure on strengthening the staff, publicity etc.

The programme is expected to provide employment ultimately for about 400 persons and during construction stage generate about 0.25 lakh man-days of Casual employment to skilled and unskilled construction workers. Since the entrepreneurs who use the sheds/premises are likely to be assisted under scheme No. 1 also, no separate estimate is made of the number and category of such persons.

T. SHARANAPPA,
Under Secretary to Government,
(Special Cell), S.W.L. Department

ANNEXURE-E3

Scheme No. 3 :—Assistance to Co-operative Ventures
(Outlay : Rs. 7.28 lakhs).

Implementing Agency :—Directorate of Industries and Commerce.

Groups of projects with some commonability of interests are easily amenable to be organised on Co-operative basis. A group of engineers and other qualified persons can come together to organise a manufacturing unit. This will reduce the risk of the individuals and the combine gives them a strength to arrange effectively the *infrastructure* facilities for marketing procurement of raw-materials, common testing facilities etc.

It is proposed to assist under the scheme such co-operatives through participation in the capital. The assistance under the scheme is limited to three times the share capital actually subscribed by the members. A sum of Rs. 7.00 lakhs is provided for the purpose of disbursement of assistance and Rs. 0.28 lakhs for meeting expenditure on strengthening the organisation, implementing the scheme, publicity etc. It is likely to provide employment to about 350 educated unemployed persons of verious categories.

T. SHARANAPPA,
Under Secretary to Government
(Special Cell) SWL Department.

ANNEXURE-E4

Scheme No. 4 :- Assistance to Ancillary Industries.
(Outlay : Rs. 2.06 lakhs).

Implementing Agency :—Directorate of Industries and Commerce.

The scheme relating to ancillary indutries initiated under the HMJ programme during 1973-74 has had the desirable impact and in view of the advantages of setting up small manufacturing units under the aegis of large establishments mainly for purposes of catering to the latter's requirements, there is increasing demand for assistance in this regard. There are a number of large industrial establishments where there is scope for developing ancillaries. In fact, the Mysore Iron and Steel Ltd., Bhadravathi have recently identified a large number of consumable items they need and can be manufactured with advantage in small units set up as ancillaries.

The setting up of ancillaries involves assistance in respect of (i) *infrastructure* development *i.e.*, construction of sheds etc., (ii) brief training of entrepreneurs with a view to making up defficiencies, if any and (iii) Seed/ margin money assistance. These can be offered as a package service in all areas where the major industrial establishments need the ancillaries.

A sum of Rs. 1.67 lakhs is therefore allocated for offering financial assistance to the scheme. The likely number of entrepreneurs to be directly benefitted is 25. Rs. 0.33 lakhs is also provided in the scheme for training the entrepreneurs desirous of establishing the units for a maximum period of 6 months. The average period of training however will be only about 4 months The training contents will be drawn up by the implementing authority in a manner as would suit the individual's requirements and it will be of a practical nature. The training period couldalso be utilised by the beneficiaries for purposes of

preparing the necessary project reports and obtaining the bank finances. While under training the beneficiaries will receive a stipend of Rs. 400 p. m. if they are engineering graduates, Rs. 250 p. m. if they are engineering diploma holders, Rs. 150 p. m. if they general graduates and Rs. 100 p. m. if they are SSLC or ITI passed candidates. An expenditure upto 15 per cent of the stipend amount can also be incurred on the incidental charges. The number estimated to receive assistance is 10 engineering graduates, 10 diploma holders, 3 general graduates and 2 others.

Seed/Margin money assistance and assistance for construction of sheds or industrial estates will be available to the beneficiaries to the same extent and on the same terms and conditions as detailed in Scheme No. 1.

Apart from providing Self-employment to 25 educated unemployed persons, the scheme will have a multiplier effect as wage-employment will accrue to a number of others who have to be engaged in the ancillaries.

T. SHARANAPPA,
Under Secretary to Government.
(Special Cell), SWL Department.

ANNEXURE-E5

Scheme No. 5 :—Assistance for Transport Vehicles.

(Outlay Rs. 5.20 lakhs)

Implementing Agency :—Director of Employment and Training.

The Scheme provides assistance to the educated unemployed persons in organising Taxi and Autorickshaw services for conveying passengers and Tempo and Lorry services for carrying goods on hire basis. Persons with technical qualifications like an Automobile Engineering Diploma or Craftsmen Certificate in Motor Mechanic Trade and persons who have received training in Motor Vehicles driving and maintenance under the Special Employment Programme or the Half-a-Million Jobs Programme will, however, be preferred. The beneficiaries are to avail themselves of the loan assistance given by nationalised Banks and other financial institutions to the maximum extent. Since banks normally advance only about 80 per cent of the cost of the vehicles, the scheme provides for advancing half the margin money needed by them. The assistance is thus limited to 50 per cent of the difference between the cost of the vehicles and the bank advances. The assistance is available on the same terms and conditions as described in Scheme No. I-"Provision of Seed/Margin Money".

A sum of Rs. 5 lakhs is allocated for payment of the assistance. A sum of Rs. 0.20 lakhs has been provided for purposes of meeting expenditure on strengthening the organisation, implementing the scheme, publicity etc. This sould enable providing margin money in respect of about 10 Luxury Taxies, 100 autorickshaws, 30 three-wheeled tempos and 30 trucks and the scheme is expected to help settle about 170 educated unemployed persons in self-employment. It will also create some subsidiary employment for others who have to look after the maintenance and service of the vehicles.

The State Government will also be making available for allotment to the beneficiaries as many vehicles as possible from its discretionary quota.

T. SHARANAPPA,
Under Secretary to Government
(Spl. Cell), SWL Department.

ANNEXURE-E6

Scheme No. 6 :—Assistance for Mechanised Fishing.

(Outlay : Rs. 2.24 lakhs)

Implementing Agency :—Director of Fisheries.

Karnataka State has a long coast line of about 320 Kms. and there is good scope for development of Fishing. About 6,000 fishermen are currently engaged in the task of exploitation of fish and that has provided a sound base for related processing industry as well. The Foreign exchange earned during 1973-74 is said to be of about Rs. 7-00 crores. About 2,000 fishermen who have been trained in the local Training Centres, a number of whom have passed SSLC, are waiting for allotment of mechanised boats and settle themselves in self-employment. Among them are a number of persons trained as Fishing Second Hands and Engine Driver at the Central Inland Fisheries Operatives Training Centre, Cochin.

It is proposed under the scheme to introduce 20 mechanised boats of 32' size. Each of these mechanised boats will be allotted to a group of 5 fishermen who have the hereditary skill in fishing and have in addition undergone training in mechanised fishing. In spite of the subsidies they are entitled to from the State Govt. on the purchase of the diesel engines, winches and fishing gears. the cost of each boat after deducting the subsidy works out to Rs. 85, 750 which the beneficiares have to invest. As the banks and financial institutions offer loan assistance of only about 80% of the cost, the scheme provides for margin money assistance upto 10 per cent of the cost of the boat . A sum of Rs. 2.14 lakhs is allotted for providing assistance to about twenty groups of about 5 fishermen each. The scheme provides direct employment to 100 persons and generates subsidiary employment to workers in fish handling, processing, transport etc. A sum of Rs. 0.10. lakhs provided for purposes of meeting expenditure on strengthening the organisation, implementing the scheme, publicity etc.

The assistance under the scheme is on the same terms and conditions as detailed in Scheme No. 1.

T. SHARANAPPA,

Under Secretary to Govt,
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ANNEXURE-E 7

Scheme No. 7 :—Training For Employment In Co-operative Industrial Units

(Outlay : Rs. 1. 61 lakhs)

Implementing Agency :—Director of Employment and Training.

A new co-operative textile mills have came to be recently established in Hulkote near Gadag of Dharwar District. The Mills now require a large number of trained workmen especially in the categories of winders, spinners, blowroom attendants, cardmen etc., on the job training for these occupations can be arranged in other established Mills and they can be absorbed in the Mills service after successful completion of such training. The training period is on the average about 4 months. The trainees are entitled to a stipend of Rs. 100 p. m. and the facility under the schme is available only to SSLC passed condidates and those who possess hereditary skill. Similary a number of sugar factories are coming up in the Co-operative Sector and they need a large number of skilled workmen *i.e.* those who

have passed SSLC or ITI Course and are trained on the job. The scheme intends to provide training for them also. The trainees in all cases will be selected in collaboration with the employers and the contents of training also will be determined in consultation with them. This arrangement will ensure that the candidates are not left in the lirch after successful completion of training. The training programme will be dovetailed into the employment practice and procedure of the Mills.

A sum of Rs. 1.61 lakhs is provided for meeting the expenses on stipends and incidental charges. The scheme is likely to benefit about 350 persons.

T. SHARANAPPA,

Under Secretary to Government (Spl. Cell), SWL Department.

ANNEXURE—E 8

Scheme No. 8—Training of Forest Guards

(Outlay: Rs. 0.13 lakhs)

Implementing Agency:—Chief Conservator of Forests (General)

There are large number of vacancies reserved for S.C./S. T. unfilled in the cadre of Forest Guards in the Forest Department. This scheme therefore provides training of 18 S.C/S.T unemployed persons who possess a minimum qualification of a pass in the SSLC examination for a period of six months at the Guard's Training Schools of Hanumanahatti and Kirwatti. On successful completion of the training, the candidates can be absorbed by the department in the reserved vacancies available to them. The beneficiaries will be entitled to a stipend of Rs. 100 p. m. while under training and provision of 15 per cent of stipend is also made for meeting the incidental expenses. The total cost of the scheme is Rs. 0.13 lakhs.

T. SHARANAPPA,

Under Secretary to Government. (Spl. Cell), SWL Department.